Message Text

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SUBJECT: BUSINESS VISITORS REPORT -- DECEMBER

REF: 76 PEKING 2660

1. SUMMARY. THE NUMBER OF U.S. BUSINESS VISITORS TO THE PRC DROPPED OFF SHARPLY DURING DECEMBER. DRESSER INDUSTRIES SIGNED A PROTOCOL TO ITS ORIGINAL CONTRACT ADDING \$500,000 IN SPARE PARTS AND EQUIPMENT FOR ITS OIL WELL LOGGING EQUIPMENT. TEXAS INSTRUMENTS SOLD THIRTY-TWO GRAVITY METERS WORTH APPROXIMATELY \$400,000 AND WAS NEGOTIATING FOR THE SALE OF THREE SEISMIC RECORDING SYSTEMS. END SUMMARY.

- 2. THE NUMBER OF BUSINESS VISITORS TO THE PRC DECLINED IN DECEMBER AS THE HOLIDAY SEASON APPROACHED. REPRESENTATIVES OF OIL EQUIPMENT COMPANIES WERE THE MOST PROMINENT VISITORS DURING THE MONTH.
- 3. DRESSER INDUSTRIES (REFTEL). A DELEGATION LED BY LIMITED OFFICIAL USE

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E. C. BROUN, PRESIDENT OF DRESSER'S PETROLEUM SERVICES GROUP, PUT THE FINAL TOUCHES ON THE NOVEMBER 1975 CONTRACT FOR OIL WELL LOGGING EQUIPMENT. A PROTOCOL WAS SIGNED ON DECEMBER 30 PROVIDING FOR CHANGES REQUIRED BY THE EXPORT CONTROL LICENSE AND FOR \$500,000 OS SPARE PARTS. THE CONTRACT IS NOW WORTH JUST UNDER

24 MILLION. A GROUP OF ENGINEERS AND TECHNICIANS FROM THE SHENG LI OIL FIELD IS SCHEDULED TO DEPART IN EARLY JANUARY FOR A FOUR-MONTH TRAINING SEMINAR IN HOUSTON

- 4. TEXAS INSTRUMENTS. TI CONCLUDED A SALE OF THIRTY-TWO GRAVITY METERS TO BE USED IN SEISMIC EXPLORATION. SIMILAR METERS WERE SOLD TWO YEARS AGO. THE THIRTY-TWO METERS REPRESENT MORE THAN ONE YEAR'S PRODUCTION BY TI AND ARE WORTH APPROXIMATELY \$500,000. TI WAS ALSO NEGOTIATING FOR THE SALE OF THREE SETS OF SEISMIC RECORDING EQUIPMENT VALUED AT ONE MILLION DOLLARS. WE DO NOT KNOW WHETHER THE CONTRACT WAS CONCLUDED BEFORE TI LEFT PEKING.
- 5. UNIVERSAL OIL PRODUCTS. UOP REPRESENTATIVE CONCLUDED TECHNICAL SEMINARS HELD IN PEKING IN CONNECTION WITH THE SALE OF EQUIPMENT FOR THE PEKING, NANKING, AND TIENTSIN REFINERIES. ALTHOUGH DISCUSSIONS WERE HELD WITH TECHIMPORT ON THE SALE OF ADDITIONAL OIL TECHNOLOGY, NO NEW BUSINESS WAS CONCLUDED.
- 6. DOWELL SCHLUMBERGER. NINE ENGINEERS FROM THE SZECHUAN PETROLEUM ADMINISTRATION BUREAU DEPARTED JANUARY 4 FOR TRAINING AT DOWELL SCHLUMBERGER. THE CHINESE DESCRIBED THE GROUP AS THE "CHINESE INSPECTING GROUP FOR THE COMPLETE SET OF EQUIPMENT FOR COMPRESSED CRACK ACIDIFICATION PROCESS."
- 7. STEWARD AND STEVENSON. THE SEVEN-MEMBER CHINESE LIMITED OFFICIAL USE

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DELEGATION SCHEDULED TO VISIT STEWART AND STEVENSON HEADQUARTERS IN HOUSTON IN DECEMBER HAS POSTPONED ITS DEPARTURE. NO REASON WAS GIVEN FOR THE DELAY.

- 8. BOEING. HARRY L. BOND, CUSTOMER SUPPORT REPRESENTATIVE FROM BOEING HEADQUARTERS IN SEATTLE WAS IN PEKING FOR SEVERAL DAYS IN CONNECTION WITH THE MAINTENANCE CONTRACT FOR THE CAAC BOEING 707'S.
- 9. PRATT AND WHITNEY. A PRATT AND WHITNEY REPRESENTATIVE WAS HERE FOR THE INSTALLATION OF TESTING EQUIPMENT PREVIOUSLY SOLD TO THE PRC.
- 10. LITTON INDUSTRIES. A LITTON REPRESENTATIVE WE MET WOULD NOT TALK ABOUT HIS BUSINESS AND SAID ONLY THAT HE WAS NOT FROM LITTON RESOURCES SYSTEMS WHICH SOLD SEISMOLOGICAL EQUIPMENT FOR USE IN OFF-SHORE EXPLORATION. (COMMENT. LITTON PRODUCED THE INERTIAL

NAVIGATION SYSTEMS INSTALLED IN THE BOEING 707'S.)

11. THIS MESSAGE CONTAINS COMMERCIALLY SENSITIVE INFORMATION WHICH SHOULD NOT BE DISCUSSED OUTSIDE THE USG.
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